



## Recommendation for Action

**File #:** 21-2572, **Agenda Item #:** 36.

8/26/2021

### **Posting Language**

Authorize negotiation and execution of a contract with Peerless Mfg. Co., to provide turnkey services to replace ammonia evaporation skids at Sand Hill Energy Center, in an amount not to exceed \$3,200,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

### **Lead Department**

Purchasing Office.

### **Client Department(s)**

Austin Energy.

### **Fiscal Note**

Funding is available in the Fiscal Year 2020-2021 Capital Budget of Austin Energy.

### **Purchasing Language:**

The Purchasing Office issued a Request for Proposals (RFP) 1100 JMF3010 for these goods and services. The solicitation was issued on March 1, 2021, and it closed on March 25, 2021. Of the four offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=135016)  
<[https://www.austintexas.gov/financeonline/account\\_services/solicitation/solicitation\\_details.cfm?sid=135016](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=135016)>.

### **For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov](mailto:AgendaOffice@austintexas.gov) <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Julia Finn, at 512-322-6060 or [Julia.Finn@austintexas.gov](mailto:Julia.Finn@austintexas.gov) <<mailto:Julia.Finn@austintexas.gov>>.

### **Council Committee, Boards and Commission Action:**

July 15, 2021 - Recommended by the Electric Utility Commission on a 6-0 vote with Commissioner Trostle off the dais, Commissioners Hadden, Stone, and Wray absent, and one vacancy.

### **Additional Backup Information:**

---

The contract will provide removal and disposal of four existing ammonia evaporation skids, manufacturing and installation of the new skids, and equipment start up for the simple cycle generating units at Sand Hill Energy Center.

The ammonia evaporation skid is part of the emissions control systems. The skid vaporizes aqueous ammonia which is injected into the exhaust gas stream which helps reduce nitric oxide and nitrogen dioxide emissions below the air permit requirements. This contract will allow Austin Energy to replace the 20-year-old ammonia evaporation skids. The existing skids are at the end of their useful life and are no longer able to perform without major maintenance and around the clock support during cooler months.

An evaluation team with expertise in this area evaluated the offers and scored Peerless Mfg. Co as the best to provide these services based on experience, price, work sequence approach and delivery schedule, technical solution, local preference, and service-disabled veteran business enterprise.

**Strategic Outcome(s):**

Government that Works for All.